

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6599

BILL NUMBER: SB 77

DATE PREPARED: Apr 5, 2001

BILL AMENDED: Apr 5, 2001

SUBJECT: High Ability Students.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill requires the Education Roundtable to include a representative of education programs for exceptional learners. It also provides that a school principal's performance evaluation may not be based wholly on ISTEP scores of students in the principal's school, but the scores may be used as one factor in the evaluation. The bill requires a school corporation to review the school corporation's practices to determine whether the practices have the effect of separating students by race, color, creed, national origin, or class. The bill requires the Department of Education to provide grants to school corporations to carry out plans for high ability students that meet certain criteria. It requires a school corporation's strategic and continuous school improvement plan to address the needs of all students, including exceptional learners. The bill requires a school corporation to use academic honors diploma awards to provide programs and services for high ability students.

Effective Date: (Amended) Upon Passage; July 1, 2001.

Explanation of State Expenditures: For the 2000 school year, about 92,220 students were identified as gifted and talented students. Local schools would be required to use tuition support Academic Honors Diploma awards for high ability students and to submit an annual report to the Department of Education summarizing the uses of the award. Schools that failed to submit the report would be ineligible for future Academic Honors Diploma awards.

The bill also establishes a separate program administered by the Department of Education to distribute grants to schools for programs for high ability students, but contains no funding for the grants. The Department of Education does not anticipate that additional resources will be needed to administer the changes.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) Local school corporations will probably experience

increased administrative expenses in filing the Academic Honors Diploma reports. The cost is unknown at this time but is probably minor on a school by school basis. Currently, the Academic Honors Diploma award funds can be used for any school general fund purpose, including grants to students receiving an academic honors diploma. The bill would instead require the funds be used for: 1) training for teachers who work with high ability students; 2) advanced courses for high ability students; or 3) programs and services for high ability students.

The provision of the bill prohibiting the use of ISTEP program test scores as the basis of a principal's performance would have no fiscal impact.

The provision requiring schools to review their programs to determine whether the practices of separating students by ability, placing them into education tracks or using tests to screen students, have the effect of separating students by race, color, creed, national origin, or class could have some fiscal impact. The impact would be a one-time cost and would probably be minor. The impact would depend on the degree of review by the local school.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Schools.

Information Sources: